



**U.S. Department of
Transportation**
Office of the Secretary
of Transportation

NOTICE OF ACTION TAKEN

March 30, 1998

This serves as interim notice to the public of the action described below, taken orally by the Department official indicated; the confirming order or other decision document will be issued as soon as possible.

Application of **United Air Lines, Inc.**, filed **2/24/98** in Docket **OST-96-1554** to:

XX *Renew for two years exemption under 49 U.S.C. 40109 to provide the following services:*

Scheduled foreign air transportation of persons, property, and mail between a point or points in the United States, on the one hand, and Almaty, Kazakhstan; Kiev, Ukraine; Minsk, Belarus; Tashkent, Uzbekistan; Tallinn, Estonia; Vilnius, Lithuania; Asmara, Eritrea; Dar es Salaam, Tanzania; Malta; Tunis, Tunisia; and Thessaloniki, Greece, on the other hand, and authority to permit services involving all these points to be operated via all points in Germany. United plans to operate this service pursuant to a code-share arrangement with Lufthansa German Airlines.

XX *Amend exemption to:*

Permit United to serve these countries from the United States via points in other countries that United is authorized to serve in addition to Germany. United intends to operate these services pursuant authorized code-share arrangements with code-share partners other than Lufthansa. In conjunction with this amendment, United seeks authority to integrate these services with its existing certificate and exemption authority to facilitate the routings proposed. United seeks expedited action on its request because it proposes to offer code-share service to Tallinn via Copenhagen and Stockholm effective March 29, 1998.

Applicant rep.: **Joel Stephen Burton 202-637-9130** DOT analyst: **Linda Senese, 202-366-2367**

DISPOSITION

XX *Granted, subject to conditions. (See below)*

*The above action was effective when taken: **March 20, 1998,** through **March 20, 2000***

XX *Under assigned authority (14 CFR 385) by:*

*Paul L. Gretch, Director
Office of International Aviation
(Petitions for review may be filed from now until
10 days after the confirming order/letter issues.
Filing of a petition shall not stay the effectiveness of
this action.)*

(See Reverse Side)

XX Exemption authority granted is consistent with the 1990 U.S.-U.S.S.R. aviation agreement which governs air services between the United States and Kazakhstan and Belarus; the aviation agreement between the United States and Greece and between the United States and Uzbekistan; and the overall state of aviation relations between the United States and Estonia, Luthuania, Eritrea, Tanzania, Malta, and Tunisia.

Except to the extent exempted or waived, this authority is subject to the terms, conditions, and limitations indicated:

XX Holder's certificate of public convenience and necessity

XX Standard Exemption Conditions (attached)

Conditions: The authority granted is subject to the following conditions:

(1) The route integration authority granted is subject to the condition that any service provided under this exemption shall be consistent with all applicable agreements between the United States and the foreign countries involved. Furthermore, (a) nothing in the award of the route integration authority requested should be construed as conferring upon United rights (including fifth-freedom intermediate and/or beyond rights) to serve markets where U.S. carrier entry is limited unless United notifies us of its intent to serve such a market and unless and until the Department has completed any necessary carrier selection procedures to determine which carrier(s) should be authorized to exercise such rights; and (b) should there be a request by any carrier to use the limited entry route rights that are included in United's authority by virtue of the route integration exemption granted here, but that are not then being used by United, the holding of such authority by route integration will not be considered as providing any preference for United in a competitive carrier selection proceeding to determine which carrier(s) should be entitled to use the authority at issue.

(2) The code-sharing operations conducted under this authority must comply with 14 CFR 399.88 of the Department's regulations and any amendments to the Department's regulations concerning code-share arrangements that may be adopted and are expressly conditioned upon the requirements that the subject foreign air transportation be sold in the name of the carrier holding out such service in computer reservation systems and elsewhere, and that the carrier selling such transportation (*i.e.*, the carrier shown on the ticket) accept all obligations established in its contract of carriage with the passenger, and that the operator shall not permit the code of its U.S. carrier code-sharing partner to be carried on any flight that enters, departs, or transits the airspace of any area for whose airspace the Federal Aviation Administration has issued a flight prohibition.

Remarks: United has been allocated 3.5 weekly frequencies for its U.S.-Ukraine third-country code-share services. (Order 95-7-36, July 12, 1995, and renewed August 29, 1996. See Order 96-9-11). We subjected the authority to serve Kiev set forth in this notice to the frequency limitations and conditions set forth in Order 96-9-11.

Appendix A

U.S. Carrier **Standard Exemption Conditions**

In the conduct of the operations authorized by the attached order, the applicant(s) shall:

- (1) Hold at all times effective operating authority from the government of each country served;
- (2) Comply with applicable requirements concerning oversales contained in 14 CFR 250 (for scheduled operations, if authorized);
- (3) Comply with the requirements for reporting data contained in 14 CFR 241;
- (4) Comply with the requirements for minimum insurance coverage, and for certifying that coverage to the Department, contained in 14 CFR 205;
- (5) Comply with the requirements of 14 CFR 203, concerning waiver of Warsaw Convention liability limits and defenses;
- (6) Comply with the applicable requirements of the Federal Aviation Administration Regulations; and
- (7) Comply with such other reasonable terms, conditions, and limitations required by the public interest as may be prescribed by the Department of Transportation, with all applicable orders and regulations of other U.S. agencies and courts, and with all applicable laws of the United States.

The authority granted shall be effective only during the period when the holder is in compliance with the conditions imposed above.